

**CONFIDENTIAL BUSINESS INFORMATION****Resolute** Management Inc.**Gina L. Macari**

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Midwest Division

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CERTIFIED MAIL
RETURN RECEIPT REQUESTED

August 6, 2011

Steven F. Hill
Miller Nash, LLP
500 East Broadway
Suite 400
Vancouver, Washington 98660

RECEIVED**AUG 10 2011****MILLER NASH LLP**

Re: Insured: Kaiser Cement Corp. and/or Kaiser Gypsum Company, Inc.
Site: Lower Duwamish Waterway in Seattle, Washington
Policy: HI163638 (04/01/82-04/01/83) - Continental Casualty Company,
successor in interest to certain Harbor Insurance Company policies
Claim No.: 05-124418

Dear Mr. Hill:

Please be advised that Resolute Management, Inc., Midwest Division (Resolute Midwest) is now the administrator for certain pollution claims on behalf of the CNA-related underwriting entities, including Continental Casualty Company, successor in interest to certain Harbor Insurance Company policies ("Continental"). I am the claims analyst assigned to the above-captioned matter on behalf of Resolute Midwest. Please direct any future correspondence and other materials to my attention. Please be sure to include our claim number on all future correspondence.

This letter shall acknowledge receipt of your July 26, 2011 correspondence, received by Resolute on August 2, 2011, concerning the above-referenced policy. According to the attached letter to Greenwich Insurance Company dated December 22, 2010, and your December 21, 2010 letter addressed to Greenwich Insurance Company, you represent Kaiser Cement Corporation ("Kaiser Cement") and Kaiser Gypsum Company ("Kaiser Gypsum"). Your letters indicate that both Kaiser Cement and Kaiser Gypsum received a request for information from the USEPA pursuant to CERCLA. You indicate that it is the intent of Kaiser Cement and Kaiser Gypsum to advise Harbor of the request received by the USEPA.

As you are aware, in her January 25, 2011 correspondence, Jessica Nugent acknowledged receipt of the notice of the USEPA's request for information to Kaiser Cement and Kaiser Gypsum, with respect to the following policies:

RDX 3652645 (10/13/1977-10/1/1978)
RDX 4169393 (10/1/1978-4/1/1979)
RDX 4169612 (4/1/1979-4/1/1980)
RDX 4169587 (4/1/1979-4/1/1980)
UMB 006496626 (4/1/19810-4/1/1981)
SRX 2101407 (4/1/1983-4/1/1984)
LX 2107763 (4/1/1983-5/1/1984)
LX 2110774 (5/1/1984-5/1/1985)

Columbia Casualty Co.
Columbia Casualty Co.
Columbia Casualty Co.
Columbia Casualty Co.
Transcontinental Ins. Co.
Continental Ins. Co.
London Guarantee
London Guarantee

KG2005295

It was intended that HI163638 (04/01/82-04/01/83) be included in this list of policies referenced in the January 25, 2011 letter.

As your correspondences do not indicate that any request for defense or indemnity is being made by Kaiser Cement or Kaiser Gypsum Company, a coverage evaluation is not appropriate at this time. Likewise, with respect to your request that separate claim numbers be assigned to Kaiser Cement and Kaiser Gypsum, there is no reason to assign more than one claim number to this matter at this time.

Should a lawsuit be filed or the circumstances of this notice only matter change, please advise immediately and send any related documentation.

In the event a claim is made against Kaiser Gypsum and/or Kaiser Cement, please be advised that the policies referenced above are excess-only policies, which may not provide coverage for the claim until the underlying limits are exhausted. Upon the receipt of any suit or notice of a claim being made, we will evaluate each policy for coverage.

Accordingly, the right is reserved to assert any term, condition and/or exclusion contained in any relevant policy whether such term, condition and/or exclusion is specifically referred to herein. This letter shall not be deemed to have waived, diminished or altered any of the rights that either party may have by virtue of any policy issued, nor shall this letter, or any future investigation or correspondence be construed as either a waiver of any policy provision or of any rights or defenses thereunder.

Please contact me at the number above if you have any questions regarding this letter or the information requested.

Sincerely,



Gina L. Macari
Claims Specialist

Resolute Management Inc., Midwest Division, as Administrator on behalf of the Continental Insurance Company, successor in interest to certain Harbor Insurance Company policies